



सत्यमेव जयते

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Separate paging is given to this part in order that it may be filed as a Separate Compilation.

## PART V

### Bills introduced in the Gujarat Legislative Assembly

(To be translated into Gujarati and the translation to be published in the *Gujarat Government Gazette*. The date of publication to be reported.)

The following Bill is published with the consent of the Speaker given under the proviso to rule 127A of the Gujarat Legislative Assembly Rules:-

#### THE GUJARAT TAXATION LAWS (AMENDMENT) BILL, 2023.

#### GUJARAT BILL NO. 18 OF 2023.

#### *A BILL*

*further to amend certain taxation laws.*

It is hereby enacted in the Seventy-fourth Year of the Republic of India as follows:—

1. (1) This Act may be called the Gujarat Taxation Laws (Amendment) Act, 2023.
- (2) It shall come into force on such date as the State Government may, by notification in the *Official Gazette*, appoint.

**Short title and  
commencement.**

Amendment in the Guj. 1 of 2005.	<p>2. In the Gujarat Value Added Tax Act, 2003,—</p> <p>(a) in section 30, in sub-section (5), for the words “the rate of eighteen per cent. per annum”, the words “such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted;</p> <p>(b) in section 37, in sub-section (4), for the words “the rate of eighteen per cent. per annum”, the words “such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p> <p>(c) in section 42,—</p> <p>(i) in sub-section (4), for the words “at the rate of eighteen per cent. per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted;</p> <p>(ii) in sub-section (6), for the words “at the rate of eighteen per cent. per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted;</p> <p>(iii) in sub-section (7), for the words “at the rate of eighteen per cent. per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p> <p>(d) in section 59B, in sub-section (13), for the words “at the rate of eighteen per cent. per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p>	Guj. 1 of 2005.
Amendment in the Guj. 13 of 2001.	<p>3. In the Gujarat Motor Spirit Cess Act, 2001, in section 6, for the words “at the rate of eighteen per cent. per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p>	Guj. 13 of 2001.
Amendment in the President’s Act No. 11 of 1976.	<p>4. In the Gujarat State tax on Professions, Trades, Callings and Employments Act, 1976, in section 9, in sub-section (1), for the words “at one and a half per cent.”, the words “at such rate, not exceeding one and a half per cent., as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p>	President’s Act No. 11 of 1976
Amendment in the Bom. XL of 1958.	<p>5. In the Gujarat Electricity Duty Act, 1958, in section 8, in sub-section (1), for the figures and words “24 per cent. per annum”, the words “eighteen per cent. per annum” shall be substituted.</p>	Bom. XL of 1958.
Amendment in the Bom. LX of 1958.	<p>6. In the Gujarat Stamp Act, 1958, in section 46, in sub-section (1), for the words “at the rate of fifteen per cent., per annum”, the words “at such rate, not exceeding eighteen per cent. per annum, as may be specified by the State Government by notification in the <i>Official Gazette</i>” shall be substituted.</p>	Bom. LX of 1958.

#### STATEMENT OF OBJECTS AND REASONS

Various taxation laws carry the provisions in respect of levy of interest on delayed payment of taxes and duties. With a view to expediting the recovery of Government dues and minimizing the litigations, such penal interest rates need to be rationalized so as to provide for maximum rate in law with a flexibility of specifying lower rate of interest by notification.

In order to achieve the aforesaid object, certain taxation laws such as the Gujarat Value Added Tax Act, 2003, the Gujarat Motor Spirit Cess Act, 2001, the Gujarat State tax on Professions, Trades, Callings and Employments Act, 1976, the Gujarat Electricity Duty Act, 1958 and the Gujarat Stamp Act, 1958 require to be amended suitably.

This Bill seeks to amend the said Acts to achieve the aforesaid objects.

**KANUBHAI DESAI,**

#### **MEMORANDUM REGARDING DELEGATED LEGISLATION**

This Bill provides for delegation of legislative powers in the following respects:-

**Clause 1.** - Sub-clause (2) of this clause empowers the State Government to appoint by notification in the *Official Gazette*, the date on which the Act shall come into force.

**Clause 2.** - (i) Sub-section (5) of section 30 of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer where he does not pay the amount of tax within the time prescribed for its payment, on the amount of tax not so paid or on any less amount thereof remaining unpaid during such period;

(ii) sub-section (4) of section 37 of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer if, on the assessment, the provisional refund granted is found to be in excess, for the period from the date of grant of provisional refund till the date of assessment;

(iii) sub-section (4) of section 42 of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer for the period as may be extended or the installments as may be granted by the Commissioner under sub-section (2) of the said section 42;

(iv) sub-section (6) of section 42 of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer, on the amount of tax not so paid or any less amount thereof remaining unpaid, during the period commencing from the date of expiry of the time prescribed for payment of tax under sub-section (1), (2) or (3) of section 30 and ending on date of order of assessment, reassessment or revision, where the amount of tax assessed or reassessed;

(v) sub-section (7) of section 42 of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer, on the amount of tax not so paid or any less amount thereof remaining unpaid during the period commencing on the specified date and ending on the date of payment, where a dealer does not pay the amount of tax falling under sub-section (1) on or before the prescribed date;

- (vi) sub-section (13) of section 59B of the Gujarat Value Added Tax Act, 2003 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of simple interest on tax not exceeding eighteen per cent. per annum to be paid by the dealer, on the amount of tax not so paid into Government treasury or any less amount thereof remaining unpaid for the period commencing on the date of expiry of the time specified in sub-section (7) of said section 53B and ending on the date of payment of the amount into the Government treasury.

**Clause 3.** - Section 6 of the Gujarat Motor Spirit Cess Act, 2001 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of simple interest on cess not exceeding eighteen per cent. per annum to be paid by the trader on the amount of cess not so paid or any less amount thereof remaining unpaid for the period commencing on the date of expiry of the aforesaid period and ending on the date of payment of the amount of cess.

**Clause 4.** - Sub-section (1) of section 9 of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of simple interest on tax not exceeding one and a half per cent. to be paid for the period for which the tax remains unpaid.

**Clause 6.** - Sub-section (1) of section 46 of the Gujarat Stamp Act, 1958 proposed to be amended by this clause empowers the State Government to specify, by notification in the *Official Gazette*, the rate of simple interest on stamp duty not exceeding eighteen per cent. per annum to be paid by a person required to pay any amount of duty, penalty or other sums under this Act, for the period for which such amount remains unpaid.

The delegation of legislative powers as aforesaid is necessary and is of normal character.

Dated the 5<sup>th</sup> September, 2023.

**KANUBHAI DESAI.**

By order and in the name of the Governor of Gujarat,

**K. M. LALA,**

Gandhinagar,

Secretary to the Government of Gujarat,

Dated the 6<sup>th</sup> September, 2023.

Legislative and Parliamentary Affairs Department.

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